SERFF Tracking #: PHLX-132217428 State Tracking #:

Company Tracking #: AUTO201902

State: District of Columbia Filing Company: Philadelphia Indemnity Insurance Company

TOI/Sub-TOI: 20.0 Commercial Auto/20.0000 Commercial Auto Combinations

Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

Project Name/Number: AUTO201902/AUTO201902

Filing at a Glance

Company: Philadelphia Indemnity Insurance Company
Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

State: District of Columbia
TOI: 20.0 Commercial Auto

Sub-TOI: 20.0000 Commercial Auto Combinations

Filing Type: Rate/Rule
Date Submitted: 01/10/2020

SERFF Tr Num: PHLX-132217428
SERFF Status: Submitted to State

State Tr Num: State Status:

Co Tr Num: AUTO201902

Effective Date 02/10/2020

Requested (New):

Effective Date 02/10/2020

Requested (Renewal):

Author(s): Markita Robinson

Reviewer(s):

Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State: District of Columbia Filing Company: Philadelphia Indemnity Insurance Company

TOI/Sub-TOI: 20.0 Commercial Auto/20.0000 Commercial Auto Combinations

Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

Project Name/Number: AUTO201902/AUTO201902

General Information

Project Name: AUTO201902 Status of Filing in Domicile:
Project Number: AUTO201902 Domicile Status Comments:

Reference Organization: Reference Number: Advisory Org. Circular:

Filing Status Changed: 01/10/2020

State Status Changed: Deemer Date:

Created By: Markita Robinson Submitted By: Markita Robinson

Corresponding Filing Tracking Number:

Filing Description:

Philadelphia Indemnity Insurance Company is filing a correction to our recent filing for additional deductibles and respective loss costs for our existing Hired Auto Physical Damage coverage. The correction is due to a revision in the loss cost development methodology. The proposed deductibles for Comprehensive coverage are those \$500 and greater and the proposed deductibles for Collision coverage are those \$2,500 and greater. The revised proposed loss costs for each proposed deductible level were developed based on implied relativities of ISO's rule 98 deductible factors. These relativities were applied to ISO's rule 90 loss costs to estimate appropriate loss costs for deductible levels above those which ISO offers in rule 90. Loss costs for existing deductible options in ISO's rule 90 are unchanged. Also, no insureds are currently using the proposed deductible levels as initially filed. As such, there is no rate impact.

Sincerely,

Markita Robinson

Company and Contact

Filing Contact Information

Markita Robinson, State Filing Analyst Markita.Robinson@phly.com Philadelphia Insurance Companies 610-538-2218 [Phone]

One Bala Plaza, Suite 100 Bala Cynwyd, PA 19004

Filing Company Information

Philadelphia Indemnity Insurance CoCode: 18058 State of Domicile: Company Group Code: 3098 Pennsylvania
One Bala Plaza Group Name: Tokio Marine Hold Company Type:
Suite 100 Inc Grp State ID Number:

Bala Cynwyd, PA 19004 FEIN Number: 23-1738402

(610) 617-7900 ext. [Phone]

Filing Fees

Fee Required? No Retaliatory? No

Fee Explanation:

State: District of Columbia Filing Company: Philadelphia Indemnity Insurance Company

TOI/Sub-TOI: 20.0 Commercial Auto/20.0000 Commercial Auto Combinations

Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

Project Name/Number: AUTO201902/AUTO201902

Rate Information

Rate data does NOT apply to filing.

State: District of Columbia Filing Company: Philadelphia Indemnity Insurance Company

TOI/Sub-TOI: 20.0 Commercial Auto/20.0000 Commercial Auto Combinations

Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

Project Name/Number: AUTO201902/AUTO201902

Rate/Rule Schedule

Item	Schedule Item				Previous State	
No.	Status	Exhibit Name	Rule # or Page #	Rate Action	Filing Number	Attachments
1		CW Rule Page	CA-HIRED DED-EP 1 CW (12/19)	Replacement	PHLX-132122343	Rule Page-CW (clean).pdf

Philadelphia Indemnity Insurance Company Division One – Commercial Automobile Hired Car Physical Damage Deductibles Company Exception Page

The following company exception to Insurance Services Office applies to all commercial risks.

A. Rating Rules

ISO Rule 90 Hired Autos, Table 90.C.3.c. (LC) Hired Autos Physical Damage Loss Costs is amended to include the following additional Comprehensive and Collision deductibles and loss costs:

Coverage	Deductible	Loss Cost Per Each \$100 Annual Cost Of Hire
	\$ 500	0.240
	\$ 1,000	0.208
Comprehensive	\$ 2,500	0.155
	\$ 5,000	0.115
	\$10,000	0.100
	\$ 2,500	0.340
Collision	\$ 5,000	0.200
	\$10,000	0.145

State: District of Columbia Filing Company: Philadelphia Indemnity Insurance Company

TOI/Sub-TOI: 20.0 Commercial Auto/20.0000 Commercial Auto Combinations

Product Name: CA-HIRED DED-EP 1 CW (12/19) Revision

Project Name/Number: AUTO201902/AUTO201902

Supporting Document Schedules

Bypassed - Item:	Consulting Authorization
Bypass Reason:	Not applicable as this is not a third party filer.
Attachment(s):	
Item Status:	
Status Date:	
Satisfied - Item:	Actuarial Certification (P&C)
Comments:	
Attachment(s):	DC Rating Rule Filing Package - Correction Filing.pdf
Item Status:	
Status Date:	
Satisfied - Item:	District of Columbia and County wide Functions for the Last 5 Vegra (DSC)
	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Comments:	
Attachment(s):	DC Rating Rule Filing Package - Correction Filing.pdf
Item Status:	
Status Date:	
Satisfied - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Comments:	
Attachment(s):	DC Rating Rule Filing Package - Correction Filing.pdf
Item Status:	
Status Date:	
Satisfied - Item:	Edit Copy
Comments:	Please see attached.
Attachment(s):	Rule Page-CW (edit).pdf
Item Status:	Truie i age-ovv (euit).pui
Status Date:	
Jiaius Daie.	

<u>CERTIFICATION:</u> I hereby certify that the information contained in this Rate Filing and Rate Abstract is true and correct to the best of my knowledge.

Signature Justin Augustina

Title Manager & Pricing Actuary

Tokio Marine North America Services, LLC

Company Three Bala Plaza, Suite 400, Bala Cynwyd PA 19004

Address 610 617-6093

Philadelphia Indemnity Insurance Company Commercial Auto Hired Auto Physical Damage Filing Memorandum

Countrywide

Philadelphia Indemnity Insurance Company is filing a correction to our recent filing for additional deductibles and respective loss costs for our existing Hired Auto Physical Damage coverage. The correction is due to a revision in the loss cost development methodology. The proposed deductibles for Comprehensive coverage are those 500 and greater and the proposed deductibles for Collision coverage are those 2,500 and greater. The revised proposed loss costs for each proposed deductible level were developed based on implied relativities of ISO's rule 98 deductible factors. These relativities were applied to ISO's rule 90 loss costs to estimate appropriate loss costs for deductible levels above those which ISO offers in rule 90. Loss costs for existing deductible options in ISO's rule 90 are unchanged. Also, no insureds are currently using the proposed deductible levels as initially filed. As such, there is no rate impact.

Rate Plan

Comprehensive

Deductible	Loss Cost
No Deductible	0,340
50	0.320
100	0.310
500	0.240
1,000	0,208
2,500	0.155
5,000	0.115
10,000	0.100

Collision

Deductible	Loss Cost
100	0.510
250	0.490
500	0.460
1,000	0.430
2,500	0.340
5,000	0.200
10,000	0.145

Development - Relevant ISO Tables

		Price Ra	nge			Comprehensive and Specified Causes Of Loss	Collision
		\$	0	_	4500	0.50	0.36
-			4501		6000	0.65	0.40
			6001	-	8000	0.75	0.45
		_	8001	_	10000	0.85	0.70
			10001	-	15000	0.90	0.88
			15001	_	20000	1.00	1.00
			20001		25000	1.07	1.06
			25001		40000	1,30	1.35
			40001	-	65000	1.55	1.90
			65001		90000	1,70	2,60
	Each	Additional \$100	00 over \$90000*		-	0.007	0,025
*	For auto	s with an origin	al cost new in ex	cess of	\$90000:		
	(i)	Subtract 9	00000 from the c	riginal	cost new.		
	(ii)	Divide the	result by 1000,				
	(iii)	Multiply b	y the appropriat	le "Eac	h Additional \$1	000 over \$90000"	factor.
	(iv)	Add the re	sult to the appr	opriate	65001 — 90000	factor.	

Table 101.A.4.a.(1)(a) Trucks, Tractors And Trailers And Public Autos Original Cost New Factors

		Price Range			Comprehensive	Collision
		0	-	4500	0,50	0.50
		4501	_	6000	0.60	0.60
		6001	_	8000	0.70	0.70
		8001		10000	0.80	0,90
		10001	-	15000	0.90	0,95
		15001	_	20000	1.00	1,00
	_	20001	_	25000	1.12	1.05
		25001	_	40000	1.25	1.10
		40001	-	65000	1,60	1.25
		65001	_	90000	2.20	1.70
	Each Add	ditional \$1000 over \$90000*			0.02	0.01
	For aulos w	ith an original cost new in ex	cess c	of \$90000;		
	(i)	Subtract 90000 from the o	origina	l cost new.		
	(II)	Divide the result by 1000.				
	(iii)	Multiply by the appropria	te "Ea	ch Additional \$1	1000 over \$90000"	factor.
1	(Iv)	Add the result to the appr	ropriat	e 65001 – 9 <u>00</u> 00	factor.	

Table 101.A.4.a.(2)(a) Private Passenger Types Original Cost New Factors

		Loss Cost Per Each \$100 Annual Cost Of
Coverage	Deductible	Hire
	No Deductible	0.34
Comprehensive	50 Deductible	0,32
	100 Deductible	0.31
	100 Deductible	0,51
G 18 1	250 Deductible	0.49
Collision	500 Deductible	0.46
1	1,000 Deductible	0.43
Specified Causes of Loss	No Deductible	0.16

Table 90.C.3.c.(LC) Hired Autos Physical Damage Loss Costs

<u>Development - Relevant ISO Deductible Factors and Calculations - Comprehensive</u>

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor*	Implied Relativity
\$ Full	-0.420	1.420	1.000
50	-0.340	1.340	0.944
100	-0.280	1.260	0.901
250	-0.130	1.130	0.796
500	0.000	1.000	0.704
1,000	0.110	0,890	0.627
2,000	0,260	0.740	0.521
3,000	0.310	0.690	0.486
5,000	0,390	0.610	0.430

Table 98.B.1.b.(1)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Comprehensive Deductible Factors
*Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor	Implied Relativity
\$ Full	-0.410	1.410	1.000
50	-0.340	1.340	0.950
100	-0,300	1.300	0,922
250	-0.160	1,160	0.823
500	0.000	1.000	0.709
1,000	0,160	0.840	0,596
2,000	0.370	0.630	0.447
3,000	0.480	0,520	0.369
5,000	0.650	0,350	0.248

Table 98.B.1.b.(1)(a) Private Passenger Types Comprehensive Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Comprehensive</u>

				(4) =	(5) =	(6) =		(8) =	(9) =
				[(2) + (3)]	((1).Full) x	[(4)n - (4)n-1] /		(7)/	[(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).Full	[(D)n - (D <u>)</u> n-1]
_		ISO Rule	ISO Rule						
	ISO Rule	98	98			Indicated			Selected
	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks	PPT	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
No Deductible	0.340	1.000	1.000	1.000	0.340	504 T.Siskii	0.340	1.000	
50	0.320	0.944	0.950	0.947	0.322	-0.1060%	0.320	0.941	-0.1176%
100	0.310	0.901	0.922	0.912	0.310	-0.0706%	0.310	0.912	-0.0588%
500		0.704	0.709	0.707	0.240	-0.0512%	0.240	0.706	-0.0515%
1,000	X X	0.627	0.596	0.611	0.208	-0.0191%	0.208	0.612	-0.0188%
2,500	25.25	0.504	0.408	0.456	0.155	-0.0104%	0.155	0.456	-0.0104%
5,000	f. 3d 30P	0.430	0.248	0.339	0.115	-0.0047%	0.115	0.338	-0.0047%
10,000	527	51.43		100	William De		0.100	0.294	-0.0009%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for No Deductible, 50, and 100 deductible levels. For deductible levels 500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

<u>Development - Relevant ISO Deductible Factors and Calculations - Collision</u>

		(1)	(2) = (1 - (1))	(3) = (2) / (2).100
Deductible		Factor	Implied Ded Factor*	Implied Relativity
\$	50	-0,120	1.120	1.009
	100	-0.110	1.110	1.000
	250	-0.065	1.065	0,959
	500	0.000	1.000	0.901
	1,000	0.120	0.880	0.793
	2,000	0.320	0,680	0.613
	3,000	0.450	0,550	0.495
	5,000	0.570	0.430	0,387

Table 98.B.1.b.(2)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

		441	(2) =	(3) = (2) / (2).100
Deductible		(1) Factor	(1 - (1)) Implied Ded Factor*	Implied Relativity
\$	50	-0.130	1,130	1.018
	100	-0,110	1.110	1.000
	200	-0.080	1.080	0,973
	250	-0,070	1.070	0,964
	500	0,000	1.000	0.901
	1,000	0.110	0.890	0.802
Ĭ	2,000	0.260	0.740	0.667
	3,000	0,390	0.610	0.550
	5,000	0,560	0.440	0,396

Table 98,B.1.b.(2)(a) Private Passenger Types Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Collision</u>

				(4) = [(2) + (3)]	(5) = [(1).100] x	(6) = [(4)n - (4)n-1] /		(8) = (7) /	(9) = [(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).100	[(D)n - (D)n-1]
, ,		ISO Rule	ISO Rule						
	ISO Rule	98	98		!	Indicated			Selected
1	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks*	PPT*	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
100	0.510	1.000	1.000	1.000	0.510		0.510	1.000	2.8%
250	0.490	0.959	0.964	0.962	0.490	-0.0130%	0.490	0.961	-0.0261%
500	0.460	0.901	0.901	0.901	0.459	-0.0124%	0.460	0.902	-0.0235%
1,000	0,430	0.793	0.802	0.797	0.407	-0.0106%	0.430	0.843	-0.0118%
2,500	1. 0.00	0.554	0.608	0.581	0.296	-0.0074%	0.340	0.667	-0.0118%
5,000		0.387	0.396	0.392	0.200	-0.0039%	0.200	0.392	-0.0110%
10,000	5,000		75.00		3	34.75 A	0.145	0.284	-0.0022%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for 100, 250, 500 and 1,000 deductible levels. For deductible levels 2,500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

Philadelphia Indemnity Insurance Company Commercial Auto Physical Damage Premium and Policy Counts

DC Only

Fiscal AY	Policy Count	Written Premium
2015	128	318,647
2016	127	362,922
2017	133	341,983
2018	136	328,442
2019	145	313,156
Total	668	1,665,150

Countrywide

Fiscal AY	Policy Count	Written Premium
2015	28,378	87,316,600
2016	28,535	93,163,757
2017	29,132	99,856,226
2018	29,713	107,122,636
2019	31,400	114,414,691
Total	147,159	501.873.910

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE District of Columbia - All Products

Rate Level Indications

		Fis	scal Accident Ye	ear Ending 12/31	
		2016	2017	2018	Total
1	Earned Premium	337,796	343,897	327,414	1,009,108
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.000	1.000_	1.000	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	352,404	3 <u>55,217</u>	334,843	1,042,465
5	Reported Incurred Loss & ALAE	173,298	171,745	277,307	622,350
6	Salvage & Subrogation	(64,542)	(55,095)	(28,755)	(148,393)
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	237,840	226,840	306,062	770,742
8	Loss Development Factor	1.002	1.006	1.030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	238,360	228,264	315,254	781,879
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(53,945)	(51,661)	(71,348)	(176,954)
11	Expected Incurred Loss & ALAE = (9) + (10)	184,415	176,604	243,906	604,925
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	202,672	194,088	268,053	664,812
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	225,123	210,330	283,401	718,854
17	Ultimate Loss & LAE Ratio	63.9%	59.2%	84.6%	69.0%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio			L	72.9%
20	Expected Loss & LAE Ratio			L	67.5%
21	Rate Level Indication before Credibility = (19) / (20) - 1				7.9%
22	Claim Count (excluding Closed w/o Pay)	78	89	96	263
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	78	89	96	<u>263</u>
25	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				25.0%
	Complement of Credibility			<u> </u>	1.5%
27	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)			<u> </u>	3.1%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis.

Line (20): Please see the investment income calculations for support.

Line (26) =

100.0% x 1.5% Net Trend - All Products

En 6 (20) -	
Other Factors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE

Countrywide - All Products

Rate Level Indications

		F	iscal Accident Y	ear Ending 12/3	1
		2016	2017	2018	Total
1	Earned Premium	88,072,097	94,197,506	101,405,020	283,674,623
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.094	1.070	1.038	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	100,505,662	104,109,873	107,679,630	312,295,164
5	Reported Incurred Loss & ALAE	56,628,904	63,540,398	74,093,408	194,262,709
6	Salvage & Subrogation	(16,335,821)		(13,690,782)	
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	72,964,725	80,895,892	87,784,190	241,644,806
8	Loss Development Factor	1,002	1,006	1,030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	73,124,154	81,403,896	90,420,702	244,948,752
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(16,549,409)	(18,423,275)		
111	Expected Incurred Loss & ALAE = (9) + (10)	56,574,745	62,980,622	69,956,750	189,512,116
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	62,175,645	69,215,703	76,882,468	208,273,816
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	69,063,430	75,008,177	81,284,442	225,356,049
17	Ultimate Loss & LAE Ratio	68.7%	72.0%	_	72.2%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio				73.1%
	Expected Loss & LAE Ratio			j	67.2%
21	Rate Level Indication before Credibility = (19) / (20) - 1				8.8%
22	Claim Count (excluding Closed w/o Pay)	19,090	20,253	21,147	60,490
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	19,090	20,253	21,147	60,490
	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				100.0%
26	Complement of Credibility				0.0%
	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)				8.8%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis. Line (20): Please see the investment income calculations for support.

Line (26) = Other Factors

ier ractors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO District of Columbia

ı	Target After-Tax Return on Surplus	11.8%
	Federal Income Tax Load	15.7%
	Target Pre-Tax Return on Surplus (a / (1 - b))	14.0%
	Projected Investment Return on Surplus	3.7%
l	Target Return on Insurance Operations (c - d)	10.3%
	Line of Business Premium / Surplus	2.07
ı	Target Return on Premium (e / f)	2.0%
ı	Expense Provisions	28.4%
l	Premium Discount Factor	0.994
	Expense Discount Factor	0.992
	Loss Discount Factor	0.982
	Expected Loss Ratio ((i - g - h * j) / (k)	67.5%
٤	Profit Provision (1 - h - l)	4.1%
I		

100.0%	Total	(13)
67.5%	Permissible Loss Ratio	(12)
32.5%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.4%	Total Expenses	6)
2.0%	Taxes, Licenses, & Fees	(8)
%0.0	ULAE	9
%0.0	Reinsurance Expense	(9)
%0.0	Residual Market Load	<u>(S</u>)
4.9%	General Expenses	4
6.3%	Other Acquisition	<u>ල</u>
%0.0	Contingent Commissions	(2)
15.2%	Base Commission and Brokerage	(1)

	Increme	Incremental Payout Pattern	attern		Disc	Discounted Payout	out
				Discount			Loss &
Үеаг	Premium	Expenses	Loss & LAE	Factor	Premium	Expenses	LAE
0.00	38.4%	20.6%	%0'0	1.000	38.4%	20.6%	%0.0
0.08	7.8%	4.2%	%0.0	0.998	7.8%	4.2%	%0:0
0.17	7.8%	4.2%	%0:0	0.996	7.7%	4.1%	%0.0
0.25	7.5%	11.1%	%0:0	0.994	7.5%	11.0%	%0:0
0.33	6.8%	3.6%	%0.0	0.992	6.7%	3.6%	%0:0
0.42	6.8%	3.6%	%0:0	0.990	%2'9	3.6%	%0.0
0.50	6.2%	42.7%	%0:0	0.988	6.1%	42.2%	%0.0
0.58	6.2%	3.3%	83.7%	0.986	6.1%	3.3%	82.5%
0.67	6.2%	3.3%	%0:0	0.984	6.1%	3.3%	%0.0
0.75	6.2%	3.3%	%0:0	0.982	6.1%	3.2%	%0.0
0.83	0.2%	0.1%	%0.0	0.980	0.2%	0.1%	%0.0
0.92	0.2%	0.1%	%0.0	0.978	0.2%	0.1%	%0.0
1.00	%0:0	%0.0	%0:0	0.977	0.0%	0.0%	%0.0
1.50	%0:0	%0:0	15.3%	0.966	%0:0	%0:0	14.7%
2.50	%0.0	0.0%	0.7%	0.946	%0.0	%0:0	0.7%
3.50	%0.0	%0.0	0.3%	0.925	%0:0	0.0%	0.2%
4.50	%0.0	0.0%	%0.0	0.904	0.0%	0.0%	%0:0
5.50	%0.0	%0.0		0.882	0.0%	%0:0	%0.0
6.50	0.0%	0.0%		0.859	0.0%		%0.0
7.50	0.0%	0.0%		0.836	0.0%		0.0%
8.50	%0.0	%0:0	0.0%	0.814	%0.0		%0:0
9.50	0.0%	%0:0	%0.0	0.792	0.0%		%0.0
10.50	%0.0	%0:0	0.0%	0.770	0.0%	0.0%	%0:0
11.50	%0.0	%0:0		0.749	%0:0	0.0%	0.0%
12.50	%0.0	0.0%	%0.0	0.728	%0.0		%0.0
13.50	%0.0	0.0%	0.0%	0.708	%0.0	%0.0	%0.0
14.50	%0.0	0.0%	0.0%	0.687	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%		99.4%	99.2%	98.2%

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO Countrywide

o Tec		
د Tar	Federal Income Tax Load	15.7%
	Target Pre-Tax Return on Surplus (a / (1 - b))	14.0%
<u>გ</u>	Projected Investment Return on Surplus	3.7%
e Tar	Target Return on Insurance Operations (c - d)	10.3%
f Lin	ine of Business Premium / Surplus	2.07
g	Target Return on Premium (e / f)	2.0%
고 X	Expense Provisions	28.7%
i Pre	Premium Discount Factor	0.994
 Exi	Expense Discount Factor	0.992
k Los	oss Discount Factor	0.982
- Ext	Expected Loss Ratio ((i - g - h * j) / (k)	67.2%
m Pro	Profit Provision (1 - h - l)	4.1%

100.0%	Total	(13)
67.2%	Permissible Loss Ratio	(12)
32.8%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.7%	Total Expenses	(6)
2.3%	Taxes, Licenses, & Fees	(8)
%0.0	ULAE	9
%0.0	Reinsurance Expense	9
%0.0	Residual Market Load	<u>(2)</u>
4.9%	General Expenses	(
6.3%	Other Acquisition	ල
%0.0	Contingent Commissions	<u>(</u> 2
15.2%	Base Commission and Brokerage	(1)

ayont	Loss &	s LAE	%0:0 %	%0.0	% 0.0%	% 0.0%	%0.0	%0.0 %	%0.0 %	% 82.5%	%0.0%	%0.0		%0.0 %		_	% 0.7%	% 0.2%	%0.0 %		%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	% 0.0%	
Discounted Payout		Expenses	20.3%	4.1%	4.1%	, 12.1%	3.6%	3.5%	, 41.6%	3.2%	3.2%	3.2%		0.1%	0.0%			0.0%				0.0%			%0.0	%0.0		0.0%	0.0%	
SiQ		Premium	38.4%	7.8%	7.7%	7.5%	6.7%	6.7%	6.1%	6.1%	6.1%	6.1%	0.2%	0.2%	0.0%	%0:0	%0:0	0.0%	%0.0	0.0	%0:0	0.0%	%0:0	0:0	%0:0	%0:0	%0:0	0.0%	0.0%	
	Discount	Factor	1.000	0.998	0.996	0.994	0.992	0.990	0.988	0.986	0.984	0.982	0.980	0.978	0.977	0.966	0.946	0.925	0.904	0.882	0.859	0.836	0.814		0.770		0.728	0.708	0.687	
attern		Loss & LAE	%0.0	%0.0	%0.0	%0.0	%0.0	%0.0	0.0%	83.7%	0.0%	%0.0	0.0%	0.0%	0.0%	15.3%	0.7%	0.3%	%0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	%0.0	%0:0	0.0%	
Incremental Payout Pattern		Expenses	20.3%	4.1%	4.1%	12.2%	3.6%	3.6%	42.2%	3.3%	3.3%	3.3%	0.1%	0.1%	%0.0	%0:0	%0.0	%0.0	%0:0	0.0%	%0:0	%0.0	%0:0	%0:0	%0.0	%0.0	%0.0	%0:0	%0.0	
Increme		Premium	38.4%	7.8%	7.8%	7.5%	6.8%	6.8%	6.2%	6.2%	6.2%	6.2%	0.2%	0.2%	%0:0	0.0%	%0.0	%0.0	%0.0	0.0%	%0.0	0.0%	%0.0	0.0%	0.0%	%0.0	%0.0	%0.0	%0:0	
	•	Year	0.00	0.08	0.17	0.25	0.33	0.42	0.50	0.58	0.67	0.75	0.83	0.92	1.00	1.50	2.50	3.50	4.50	5.50	6.50	7.50	8,50	9.50	10.50	11.50	12.50	13.50	14.50	

PHILADELPHIA INDEMNITY INSURANCE COMPANY PROJECTED EXPENSES

	21.2 - CPP C	ommercial Auto F	hysical Damag	je		
	I.E.E. 2014	l.E.E. 2015	I.E.E. 2016	l.E.E. 2017	I.E.E. 2018	Total
Commissions (Line Specific)						
Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Commissions	12,841	13,171	14,374	14,984	16,592	45,950
Commission Rate	15.1%	14.9%	15.0%	14.8%	15.2%	15.0%
Selected						15,2%
0.0 1 1.00 - 1.00 - 0.00	151 - 1					
Other Acquisitions (Line Spec	84,862	88,179	95,803	101,325	109,470	306,598
Other Acquisitions	4,261	5,096	6,179	6,371	6,668	19,218
Other Acquisitions Rate	5.0%	5,8%	6,4%	6.3%	6,1%	6.3%
Selected	3.070	3,070	0.470	0.070	0,170	6.3%
	le: _\					
General Expenses (Line Spec	81,813	85,628	91,680	98,346	105,446	295,472
General Expenses	4,097	4,230	4,818	4,770	5,020	14,608
General Expenses Rate	5.0%	4.9%	5.3%	4.9%	4.8%	4.9%
Selected	3.070		0.070	11070	11070	4.9%
Taxes, Licenses, and Fees (Li	ne Specific)					
Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Taxes, Licenses, and Fees	2,074	1,767	2,172	2,307	2,723	7,202
Tax Rate	2.4%	2.0%	2.3%	2.3%	2.5%	2.3%
Selected	<u> </u>	<u></u>	-			2.3%
Total Expenses as a % of Writ					100 1-01	
Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Total Expenses	23,273	24,264	27,543	28,432	31,003	86,978 28,4%
Expense Rate	27.4%	27.5%	28.7%	28.1%	28.3%	20,4%
ALAE to Loss	10.040	40.000	EC 242	04.004	67,661	185,268
Incurred Loss	49,319	49,636	56,343	61,264	274	1,242
Defense and Cost Containmer	160	242 0.5%	0.3%	796 1.3%	0.4%	0.7%
ALAE Ratio	0.3%]	0.5%	0.570	1.576	0.476	2.1%
Selected						2.170
ULAE to Loss						
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
ULAE Ratio	18.0%	18.6%	19.0%	7.6%	8.8%	11.5%
Selected			-			10.1%
ULAE to Loss & ALAE						
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Defense and Cost Containmer	160	242	172	796	274	1,242
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
ULAE Ratio	17.9%	18.5%	19.0%	7.5%	8.8%	11.4%
Selected						9.9%
LAE to Loss						105.000
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Defense and Cost Containmer	160	242	172	796	274	1,242
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
LAE Ratio	18.3%	19.1%	19.3%	8.9%	9.2%	12.2% 12.2%
Selected						12.270

<u>CERTIFICATION:</u> I hereby certify that the information contained in this Rate Filing and Rate Abstract is true and correct to the best of my knowledge.

Signature Justin Augustina

Title Manager & Pricing Actuary

Tokio Marine North America Services, LLC

Company Three Bala Plaza, Suite 400, Bala Cynwyd PA 19004

Address 610 617-6093

Philadelphia Indemnity Insurance Company Commercial Auto Hired Auto Physical Damage Filing Memorandum

Countrywide

Philadelphia Indemnity Insurance Company is filing a correction to our recent filing for additional deductibles and respective loss costs for our existing Hired Auto Physical Damage coverage. The correction is due to a revision in the loss cost development methodology. The proposed deductibles for Comprehensive coverage are those 500 and greater and the proposed deductibles for Collision coverage are those 2,500 and greater. The revised proposed loss costs for each proposed deductible level were developed based on implied relativities of ISO's rule 98 deductible factors. These relativities were applied to ISO's rule 90 loss costs to estimate appropriate loss costs for deductible levels above those which ISO offers in rule 90. Loss costs for existing deductible options in ISO's rule 90 are unchanged. Also, no insureds are currently using the proposed deductible levels as initially filed. As such, there is no rate impact.

Rate Plan

Comprehensive

Deductible	Loss Cost					
No Deductible	0,340					
50	0.320					
100	0.310					
500	0.240					
1,000	0,208					
2,500	0.155					
5,000	0.115					
10,000	0.100					

Collision

Deductible	Loss Cost
100	0.510
250	0.490
500	0.460
1,000	0.430
2,500	0.340
5,000	0.200
10,000	0.145

Development - Relevant ISO Tables

		Price Ra	nge			Comprehensive and Specified Causes Of Loss	Collision
		\$	0	_	4500	0.50	0.36
-			4501		6000	0.65	0.40
			6001	-	8000	0.75	0.45
		_	8001	_	10000	0.85	0.70
			10001	-	15000	0.90	0.88
			15001	_	20000	1.00	1.00
			20001		25000	1.07	1.06
			25001		40000	1,30	1.35
			40001	-	65000	1.55	1.90
			65001		90000	1,70	2,60
	Each	Additional \$100	00 over \$90000*		-	0.007	0,025
*	For auto	s with an origin	al cost new in ex	cess of	\$90000:		
	(i)	Subtract 9	10000 from the c	riginal	cost new.		
	(ii)	Divide the	result by 1000,				
	(iii)	Multiply b	y the appropriat	le "Eac	h Additional \$1	000 over \$90000"	factor.
	(iv)	Add the re	sult to the appr	opriate	65001 — 90000	factor.	

Table 101.A.4.a.(1)(a) Trucks, Tractors And Trailers And Public Autos Original Cost New Factors

		Price Range			Comprehensive	Collision			
		0	-	4500	0,50	0.50			
		4501	_	6000	0.60	0.60			
		6001	_	8000	0.70	0.70			
		8001	_	10000	0.80	0,90			
		10001	-	15000	0.90	0,95			
		15001	_	20000	1.00	1,00			
	_	20001	_	25000	1.12	1.05			
		25001	_	40000	1.25	1.10			
		40001	-	65000	1,60	1.25			
		65001	_	90000	2.20	1.70			
	Each Add	ditional \$1000 over \$90000*			0.02	0.01			
	For aulos w	ith an original cost new in ex	cess c	of \$90000;					
	(i)	Subtract 90000 from the o	origina	l cost new.					
	(II)	Divide the result by 1000.							
	(iii)	(iii) Multiply by the appropriate "Each Additional \$1000 over \$90000" factor.							
1	(Iv)	Add the result to the appr	ropriat	e 65001 – 9 <u>00</u> 00	factor.				

Table 101.A.4.a.(2)(a) Private Passenger Types Original Cost New Factors

		Loss Cost Per Each \$100 Annual Cost Of
Coverage	Deductible	Hire
	No Deductible	0.34
Comprehensive	50 Deductible	0,32
	100 Deductible	0.31
	100 Deductible	0,51
G 18 1	250 Deductible	0.49
Collision	500 Deductible	0.46
1	1,000 Deductible	0.43
Specified Causes of Loss	No Deductible	0.16

Table 90.C.3.c.(LC) Hired Autos Physical Damage Loss Costs

<u>Development - Relevant ISO Deductible Factors and Calculations - Comprehensive</u>

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor*	Implied Relativity
\$ Full	-0.420	1.420	1.000
50	-0.340	1.340	0.944
100	-0.280	1.260	0.901
250	-0.130	1.130	0.796
500	0.000	1.000	0.704
1,000	0.110	0,890	0.627
2,000	0,260	0.740	0.521
3,000	0.310	0.690	0.486
5,000	0,390	0.610	0.430

Table 98.B.1.b.(1)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Comprehensive Deductible Factors
*Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor	Implied Relativity
\$ Full	-0.410	1.410	1.000
50	-0.340	1.340	0.950
100	-0,300	1.300	0,922
250	-0.160	1,160	0.823
500	0.000	1.000	0.709
1,000	0,160	0.840	0,596
2,000	0.370	0.630	0.447
3,000	0.480	0,520	0.369
5,000	0.650	0,350	0.248

Table 98.B.1.b.(1)(a) Private Passenger Types Comprehensive Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Comprehensive</u>

				(4) =	(5) =	(6) =		(8) =	(9) =
				[(2) + (3)]	((1).Full) x	[(4)n - (4)n-1] /		(7)/	[(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).Full	[(D)n - (D <u>)</u> n-1]
_		ISO Rule	ISO Rule						
	ISO Rule	98	98			Indicated			Selected
	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks	PPT	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
No Deductible	0.340	1.000	1.000	1.000	0.340	504 T. Siskii.	0.340	1.000	
50	0.320	0.944	0.950	0.947	0.322	-0.1060%	0.320	0.941	-0.1176%
100	0.310	0.901	0.922	0.912	0.310	-0.0706%	0.310	0.912	-0.0588%
500		0.704	0.709	0.707	0.240	-0.0512%	0.240	0.706	-0.0515%
1,000	V V	0.627	0.596	0.611	0.208	-0.0191%	0.208	0.612	-0.0188%
2,500	25.25	0.504	0.408	0.456	0.155	-0.0104%	0.155	0.456	-0.0104%
5,000	f. 3d 30P	0.430	0.248	0.339	0.115	-0.0047%	0.115	0.338	-0.0047%
10,000	527	51.43		100	William De		0.100	0.294	-0.0009%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for No Deductible, 50, and 100 deductible levels. For deductible levels 500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

<u>Development - Relevant ISO Deductible Factors and Calculations - Collision</u>

		(1)	(2) = (1 - (1))	(3) = (2) / (2).100
Deductible		Factor	Implied Ded Factor*	Implied Relativity
\$	50	-0,120	1.120	1.009
	100	-0.110	1.110	1.000
	250	-0.065	1.065	0,959
	500	0.000	1.000	0.901
	1,000	0.120	0.880	0.793
	2,000	0.320	0,680	0.613
	3,000	0.450	0,550	0.495
	5,000	0.570	0.430	0,387

Table 98.B.1.b.(2)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

		441	(2) =	(3) = (2) / (2).100
Deductible		(1) Factor	(1 - (1)) Implied Ded Factor*	Implied Relativity
\$	50	-0.130	1,130	1.018
	100	-0,110	1.110	1.000
	200	-0.080	1.080	0,973
	250	-0,070	1.070	0,964
	500	0,000	1.000	0.901
	1,000	0.110	0.890	0.802
Ĭ	2,000	0.260	0.740	0.667
	3,000	0,390	0.610	0.550
	5,000	0,560	0.440	0,396

Table 98,B.1.b.(2)(a) Private Passenger Types Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Collision</u>

				(4) = [(2) + (3)]	(5) = [(1).100] x	(6) = [(4)n - (4)n-1] /		(8) = (7) /	(9) = [(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).100	[(D)n - (D)n-1]
, ,		ISO Rule	ISO Rule						
	ISO Rule	98	98		!	Indicated			Selected
1	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks*	PPT*	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
100	0.510	1.000	1.000	1.000	0.510		0.510	1.000	2.8%
250	0.490	0.959	0.964	0.962	0.490	-0.0130%	0.490	0.961	-0.0261%
500	0.460	0.901	0.901	0.901	0.459	-0.0124%	0.460	0.902	-0.0235%
1,000	0,430	0.793	0.802	0.797	0.407	-0.0106%	0.430	0.843	-0.0118%
2,500	1. 0.00	0.554	0.608	0.581	0.296	-0.0074%	0.340	0.667	-0.0118%
5,000		0.387	0.396	0.392	0.200	-0.0039%	0.200	0.392	-0.0110%
10,000	5,000		75.00		3	34.75 A	0.145	0.284	-0.0022%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for 100, 250, 500 and 1,000 deductible levels. For deductible levels 2,500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

Philadelphia Indemnity Insurance Company Commercial Auto Physical Damage Premium and Policy Counts

DC Only

Fiscal AY	Policy Count	Written Premium
2015	128	318,647
2016	127	362,922
2017	133	341,983
2018	136	328,442
2019	145	313,156
Total	668	1,665,150

Countrywide

Fiscal AY	Policy Count	Written Premium
2015	28,378	87,316,600
2016	28,535	93,163,757
2017	29,132	99,856,226
2018	29,713	107,122,636
2019	31,400	114,414,691
Total	147,159	501.873.910

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE District of Columbia - All Products

Rate Level Indications

		Fis	scal Accident Ye	ear Ending 12/31	
		2016	2017	2018	Total
1	Earned Premium	337,796	343,897	327,414	1,009,108
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.000	1.000_	1.000	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	352,404	3 <u>55,217</u>	334,843	1,042,465
5	Reported Incurred Loss & ALAE	173,298	171,745	277,307	622,350
6	Salvage & Subrogation	(64,542)	(55,095)	(28,755)	(148,393)
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	237,840	226,840	306,062	770,742
8	Loss Development Factor	1.002	1.006	1.030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	238,360	228,264	315,254	781,879
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(53,945)	(51,661)	(71,348)	(176,954)
11	Expected Incurred Loss & ALAE = (9) + (10)	184,415	176,604	243,906	604,925
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	202,672	194,088	268,053	664,812
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	225,123	210,330	283,401	718,854
17	Ultimate Loss & LAE Ratio	63.9%	59.2%	84.6%	69.0%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio			L	72.9%
20	Expected Loss & LAE Ratio			L	67.5%
21	Rate Level Indication before Credibility = (19) / (20) - 1				7.9%
22	Claim Count (excluding Closed w/o Pay)	78	89	96	263
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	78	89	96	<u>263</u>
25	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				25.0%
	Complement of Credibility			<u> </u>	1.5%
27	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)			<u> </u>	3.1%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis.

Line (20): Please see the investment income calculations for support.

Line (26) =

100.0% x 1.5% Net Trend - All Products

En 6 (20) -	
Other Factors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE

Countrywide - All Products

Rate Level Indications

		F	iscal Accident Y	ear Ending 12/3	1
		2016	2017	2018	Total
1	Earned Premium	88,072,097	94,197,506	101,405,020	283,674,623
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.094	1.070	1.038	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	100,505,662	104,109,873	107,679,630	312,295,164
5	Reported Incurred Loss & ALAE	56,628,904	63,540,398	74,093,408	194,262,709
6	Salvage & Subrogation	(16,335,821)		(13,690,782)	
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	72,964,725	80,895,892	87,784,190	241,644,806
8	Loss Development Factor	1,002	1,006	1,030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	73,124,154	81,403,896	90,420,702	244,948,752
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(16,549,409)	(18,423,275)		
111	Expected Incurred Loss & ALAE = (9) + (10)	56,574,745	62,980,622	69,956,750	189,512,116
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	62,175,645	69,215,703	76,882,468	208,273,816
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	69,063,430	75,008,177	81,284,442	225,356,049
17	Ultimate Loss & LAE Ratio	68.7%	72.0%	_	72.2%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio				73.1%
	Expected Loss & LAE Ratio			j	67.2%
21	Rate Level Indication before Credibility = (19) / (20) - 1				8.8%
22	Claim Count (excluding Closed w/o Pay)	19,090	20,253	21,147	60,490
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	19,090	20,253	21,147	60,490
	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				100.0%
26	Complement of Credibility				0.0%
	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)				8.8%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis. Line (20): Please see the investment income calculations for support.

Line (26) = Other Factors

ier ractors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO District of Columbia

ı	Target After-Tax Return on Surplus	11.8%
	Federal Income Tax Load	15.7%
	Target Pre-Tax Return on Surplus (a / (1 - b))	14.0%
	Projected Investment Return on Surplus	3.7%
l	Target Return on Insurance Operations (c - d)	10.3%
	Line of Business Premium / Surplus	2.07
ı	Target Return on Premium (e / f)	2.0%
ı	Expense Provisions	28.4%
l	Premium Discount Factor	0.994
	Expense Discount Factor	0.992
	Loss Discount Factor	0.982
	Expected Loss Ratio ((i - g - h * j) / (k)	67.5%
٤	Profit Provision (1 - h - l)	4.1%
I		

100.0%	Total	(13)
67.5%	Permissible Loss Ratio	(12)
32.5%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.4%	Total Expenses	6)
2.0%	Taxes, Licenses, & Fees	(8)
%0.0	ULAE	9
%0.0	Reinsurance Expense	(9)
%0.0	Residual Market Load	<u>(S</u>)
4.9%	General Expenses	4
6.3%	Other Acquisition	<u>ල</u>
%0.0	Contingent Commissions	(2)
15.2%	Base Commission and Brokerage	(1)

	Increme	Incremental Payout Pattern	attern		Disc	Discounted Payout	out
				Discount			Loss &
Үеаг	Premium	Expenses	Loss & LAE	Factor	Premium	Expenses	LAE
0.00	38.4%	20.6%	%0'0	1.000	38.4%	20.6%	%0.0
0.08	7.8%	4.2%	%0.0	0.998	7.8%	4.2%	%0:0
0.17	7.8%	4.2%	%0:0	0.996	7.7%	4.1%	%0.0
0.25	7.5%	11.1%	%0:0	0.994	7.5%	11.0%	%0:0
0.33	6.8%	3.6%	%0.0	0.992	6.7%	3.6%	%0:0
0.42	6.8%	3.6%	%0:0	0.990	%2'9	3.6%	%0.0
0.50	6.2%	42.7%	%0:0	0.988	6.1%	42.2%	%0.0
0.58	6.2%	3.3%	83.7%	0.986	6.1%	3.3%	82.5%
0.67	6.2%	3.3%	%0:0	0.984	6.1%	3.3%	%0.0
0.75	6.2%	3.3%	%0:0	0.982	6.1%	3.2%	%0.0
0.83	0.2%	0.1%	%0.0	0.980	0.2%	0.1%	%0.0
0.92	0.2%	0.1%	%0.0	0.978	0.2%	0.1%	%0.0
1.00	%0:0	%0.0	%0:0	0.977	0.0%	0.0%	%0.0
1.50	%0:0	%0:0	15.3%	0.966	%0:0	%0:0	14.7%
2.50	%0.0	0.0%	0.7%	0.946	%0.0	%0:0	0.7%
3.50	%0.0	%0.0	0.3%	0.925	%0:0	0.0%	0.2%
4.50	%0.0	0.0%	%0.0	0.904	0.0%	0.0%	%0:0
5.50	%0.0	%0.0		0.882	0.0%	%0:0	%0.0
6.50	0.0%	0.0%		0.859	0.0%		%0.0
7.50	0.0%	0.0%		0.836	0.0%		0.0%
8.50	%0.0	%0:0	0.0%	0.814	%0.0		%0:0
9.50	0.0%	%0:0	%0.0	0.792	0.0%		%0.0
10.50	%0.0	%0:0	0.0%	0.770	0.0%	0.0%	%0:0
11.50	%0.0	%0:0		0.749	%0:0	0.0%	0.0%
12.50	%0.0	0.0%	%0.0	0.728	%0.0		%0.0
13.50	%0.0	0.0%	0.0%	0.708	%0.0	%0.0	%0.0
14.50	%0.0	0.0%	0.0%	0.687	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%		99.4%	99.2%	98.2%

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO Countrywide

o Tec		
د Tar	Federal Income Tax Load	15.7%
	Target Pre-Tax Return on Surplus (a / (1 - b))	14.0%
<u>გ</u>	Projected Investment Return on Surplus	3.7%
e Tar	Target Return on Insurance Operations (c - d)	10.3%
f Lin	ine of Business Premium / Surplus	2.07
g	Target Return on Premium (e / f)	2.0%
고 X	Expense Provisions	28.7%
i Pre	Premium Discount Factor	0.994
. Exi	Expense Discount Factor	0.992
k Los	oss Discount Factor	0.982
- Ext	Expected Loss Ratio ((i - g - h * j) / (k)	67.2%
m Pro	Profit Provision (1 - h - l)	4.1%

100.0%	Total	(13)
67.2%	Permissible Loss Ratio	(12)
32.8%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.7%	Total Expenses	(6)
2.3%	Taxes, Licenses, & Fees	(8)
%0.0	ULAE	9
%0.0	Reinsurance Expense	9
%0.0	Residual Market Load	<u>(2)</u>
4.9%	General Expenses	(7
6.3%	Other Acquisition	ල
%0.0	Contingent Commissions	<u>(</u> 2
15.2%	Base Commission and Brokerage	(1)

Discounted Payout	Loss &	s LAE	%0:0 %	%0.0	% 0.0%	% 0.0%	%0.0	%0.0 %	%0.0 %	% 82.5%	%0.0%	%0.0	%0.0 %	%0:0 %		_	% 0.7%	% 0.2%	%0.0 %		%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	%0.0 %	% 0.0%	
		Expenses	20.3%	4.1%	4.1%	12.1%	3.6%	3.5%	41.6%	3.2%	3.2%	3.2%	0.1%	0.1%	%0.0			%0.0				%0:0			, 0.0%	, 0.0%		%0.0	0.0%	
SiQ		Premium	38.4%	7.8%	7.7%	7.5%	6.7%	6.7%	6.1%	6.1%	6.1%	6.1%	0.2%	0.2%	0.0%	%0:0	%0:0	0.0%	%0.0	0.0	%0:0	0.0%	%0:0	0:0	%0:0	%0:0	0.0	0.0%	0.0%	
	Discount	Factor	1.000	0.998	0.996	0.994	0.992	0.990	0.988	0.986	0.984	0.982	0.980	0.978	0.977	0.966	0.946	0.925	0.904	0.882	0.859	0.836	0.814		0.770		0.728	0.708	0.687	
attern		Loss & LAE	%0.0	%0.0	%0.0	%0.0	%0.0	%0.0	0.0%	83.7%	0.0%	%0.0	0.0%	%0.0	0.0%	15.3%	0.7%	0.3%	%0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	%0.0	%0:0	0.0%	
Incremental Payout Pattern		Expenses	20.3%	4.1%	4.1%	12.2%	3.6%	3.6%	42.2%	3.3%	3.3%	3.3%	0.1%	0.1%	0.0%	%0:0	%0.0	%0.0	%0:0	0.0%	0.0%	%0:0	%0:0	%0:0	%0.0	%0.0	%0.0	%0.0	0.0%	
Increm		Premium	38.4%	7.8%	7.8%	7.5%	6.8%	6.8%	6.2%	6.2%	6.2%	6.2%	0.2%	0.2%	%0:0	0.0%	%0:0	%0:0	%0.0	%0.0	%0:0	%0:0	%0:0	%0:0	%0:0	%0:0	%0.0	%0.0	%0:0	
	•	Year	0.00	0.08	0.17	0.25	0.33	0.42	0.50	0.58	0.67	0.75	0.83	0.92	1.00	1.50	2.50	3.50	4.50	5.50	6,50	7.50	8,50	9.50	10.50	11.50	12.50	13.50	14,50	

PHILADELPHIA INDEMNITY INSURANCE COMPANY PROJECTED EXPENSES

	21.2 - CPP C	ommercial Auto F	hysical Damag	e		
	I.E.E. 2014	l.E.E. 2015	I.E.E. 2016	l.E.E. 2017	I.E.E. 2018	Total
Commissions (Line Specific)						
Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Commissions	12,841	13,171	14,374	14,984	16,592	45,950
Commission Rate	15.1%	14.9%	15.0%	14.8%	15.2%	15.0%
Selected						15,2%
0.0 1 100 - 415 - 0	.161-1					
Other Acquisitions (Line Special Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Other Acquisitions	4,261	5,096	6,179	6,371	6,668	19,218
Other Acquisitions Rate	5.0%	5,8%	6,4%	6.3%	6,1%	6.3%
Selected	3.070	3,070	0.470	0.0,70	0,170	6.3%
	le: _\					
General Expenses (Line Spec	81,813	85,628	91,680	98,346	105,446	295,472
General Expenses	4,097	4,230	4,818	4,770	5,020	14,608
General Expenses Rate	5.0%	4.9%	5.3%	4.9%	4.8%	4.9%
Selected	0.070		0.070			4.9%
Taxes, Licenses, and Fees (Li	ne Specific)					
Written Premium	84,862	88,179	95,803	101,325	109,470	306,598
Taxes, Licenses, and Fees	2,074	1,767	2,172	2,307	2,723	7,202
Tax Rate	2.4%	2.0%	2.3%	2.3%	2.5%	2.3%
Selected					-	2.3%
Total Expenses as a % of Writ		00.470	05.000	404 205	109,470	306,598
Written Premium	84,862	88,179	95,803	101,325 28,432	31,003	86,978
Total Expenses	23,273	24,264 27.5%	27,543 28,7%	28.1%	28.3%	28,4%
Expense Rate		21.5% _	20,170		20.570	20,770
ALAE to Loss						
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Defense and Cost Containmer	160	242	172	796	274	1,242
ALAE Ratio	0.3%	0.5%	0.3%	1.3%	0.4%	0.7%
Selected			-	•		2.1%
ULAE to Loss						
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
ULAE Ratio	18.0%	18.6%	19.0%	7.6%	8.8%	11.5%
Selected						10.1%
ULAE to Loss & ALAE						
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Defense and Cost Containmer	160	242	172	796	274	1,242
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
ULAE Ratio	17.9%	18.5%	19.0%	7.5%	8.8%	11.4%
Selected						9.9%
LAE to Loss					· .	107.55
Incurred Loss	49,319	49,636	56,343	61,264	67,661	185,268
Defense and Cost Containmer	160	242	172	796	274	1,242
Adjusting and OtherExpense	8,879	9,231	10,711	4,668	5,964	21,343
LAE Ratio	18.3%	19.1%	19.3%	8.9%	9.2%	12.2% 12.2%
Selected						12.2%

<u>CERTIFICATION:</u> I hereby certify that the information contained in this Rate Filing and Rate Abstract is true and correct to the best of my knowledge.

Signature Justin Augustina

Title Manager & Pricing Actuary

Tokio Marine North America Services, LLC

Company Three Bala Plaza, Suite 400, Bala Cynwyd PA 19004

Address 610 617-6093

Philadelphia Indemnity Insurance Company Commercial Auto Hired Auto Physical Damage Filing Memorandum

Countrywide

Philadelphia Indemnity Insurance Company is filing a correction to our recent filing for additional deductibles and respective loss costs for our existing Hired Auto Physical Damage coverage. The correction is due to a revision in the loss cost development methodology. The proposed deductibles for Comprehensive coverage are those 500 and greater and the proposed deductibles for Collision coverage are those 2,500 and greater. The revised proposed loss costs for each proposed deductible level were developed based on implied relativities of ISO's rule 98 deductible factors. These relativities were applied to ISO's rule 90 loss costs to estimate appropriate loss costs for deductible levels above those which ISO offers in rule 90. Loss costs for existing deductible options in ISO's rule 90 are unchanged. Also, no insureds are currently using the proposed deductible levels as initially filed. As such, there is no rate impact.

Rate Plan

Comprehensive

Deductible	Loss Cost
No Deductible	0,340
50	0.320
100	0.310
500	0.240
1,000	0,208
2,500	0.155
5,000	0.115
10,000	0.100

Collision

Deductible	Loss Cost
100	0.510
250	0.490
500	0.460
1,000	0.430
2,500	0.340
5,000	0.200
10,000	0.145

Development - Relevant ISO Tables

		Price Ra	nge			Comprehensive and Specified Causes Of Loss	Collision
		\$	0	_	4500	0.50	0.36
-			4501		6000	0.65	0.40
			6001	-	8000	0.75	0.45
		_	8001	_	10000	0.85	0.70
			10001	-	15000	0.90	0.88
			15001	_	20000	1.00	1.00
			20001		25000	1.07	1.06
			25001		40000	1,30	1.35
			40001	-	65000	1.55	1.90
			65001		90000	1,70	2,60
	Each	Additional \$100	00 over \$90000*			0.007	0,025
*	For auto	s with an origin	al cost new in ex	cess of	\$90000:		
	(i)	Subtract 9	00000 from the c	riginal	cost new.		
	(ii)	Divide the result by 1000.					
	(iii)	Multiply b	y the appropriat	le "Eac	h Additional \$1	000 over \$90000"	factor.
	(iv)	Add the re	sult to the appr	opriate	65001 — 90000	factor.	

Table 101.A.4.a.(1)(a) Trucks, Tractors And Trailers And Public Autos Original Cost New Factors

		Price Range			Comprehensive	Collision		
		0	-	4500	0,50	0.50		
		4501	_	6000	0.60	0.60		
		6001	_	8000	0.70	0.70		
		8001	_	10000	0.80	0,90		
		10001	-	15000	0.90	0.95		
		15001	_	20000	1.00	1,00		
	_	20001	_	25000	1.12	1.05		
		25001	_	40000	1.25	1.10		
		40001	-	65000	1,60	1.25		
		65001	_	90000	2.20	1.70		
	Each Add	ditional \$1000 over \$90000*			0.02	0.01		
	For aulos w	ith an original cost new in ex	cess c	of \$90000;				
	(i)	Subtract 90000 from the	origina	l cost new.				
	(II)	(ii) Divide the result by 1000.						
	(iii)	(iii) Multiply by the appropriate "Each Additional \$1000 over \$90000" factor.						
1	(Iv)	Add the result to the appr	ropriat	e 65001 – 9 <u>00</u> 00	factor.			

Table 101.A.4.a.(2)(a) Private Passenger Types Original Cost New Factors

		Loss Cost Per Each \$100 Annual Cost Of
Coverage	Deductible	Hire
	No Deductible	0.34
Comprehensive	50 Deductible	0,32
	100 Deductible	0.31
	100 Deductible	0,51
G 18 1	250 Deductible	0.49
Collision	500 Deductible	0.46
1	1,000 Deductible	0.43
Specified Causes of Loss	No Deductible	0.16

Table 90.C.3.c.(LC) Hired Autos Physical Damage Loss Costs

<u>Development - Relevant ISO Deductible Factors and Calculations - Comprehensive</u>

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor*	Implied Relativity
\$ Full	-0.420	1.420	1.000
50	-0.340	1.340	0.944
100	-0.280	1.260	0.901
250	-0.130	1.130	0.796
500	0.000	1.000	0.704
1,000	0.110	0,890	0.627
2,000	0,260	0.740	0.521
3,000	0.310	0.690	0.486
5,000	0,390	0.610	0.430

Table 98.B.1.b.(1)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Comprehensive Deductible Factors
*Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

			(3) =
		(2) =	(2)/
	(1)	(1 - (1))	(2).Full
Deductible	Factor	Implied Ded Factor	Implied Relativity
\$ Full	-0.410	1.410	1.000
50	-0.340	1.340	0.950
100	-0,300	1.300	0,922
250	-0.160	1,160	0.823
500	0.000	1.000	0.709
1,000	0,160	0.840	0,596
2,000	0.370	0.630	0.447
3,000	0.480	0,520	0.369
5,000	0.650	0,350	0.248

Table 98.B.1.b.(1)(a) Private Passenger Types Comprehensive Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Comprehensive</u>

				(4) =	(5) =	(6) =		(8) =	(9) =
				[(2) + (3)]	((1).Full) x	[(4)n - (4)n-1] /		(7)/	[(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).Full	[(D)n - (D <u>)</u> n-1]
_		ISO Rule	ISO Rule						
	ISO Rule	98	98			Indicated			Selected
	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks	PPT	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
No Deductible	0.340	1.000	1.000	1.000	0.340	504 T. Siskii.	0.340	1.000	
50	0.320	0.944	0.950	0.947	0.322	-0.1060%	0.320	0.941	-0.1176%
100	0.310	0.901	0.922	0.912	0.310	-0.0706%	0.310	0.912	-0.0588%
500		0.704	0.709	0.707	0.240	-0.0512%	0.240	0.706	-0.0515%
1,000	X X	0.627	0.596	0.611	0.208	-0.0191%	0.208	0.612	-0.0188%
2,500	25.24	0.504	0.408	0.456	0.155	-0.0104%	0.155	0.456	-0.0104%
5,000	f. 3d 30P	0.430	0.248	0.339	0.115	-0.0047%	0.115	0.338	-0.0047%
10,000	527	51.43		100	William De		0.100	0.294	-0.0009%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for No Deductible, 50, and 100 deductible levels. For deductible levels 500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

<u>Development - Relevant ISO Deductible Factors and Calculations - Collision</u>

		(1)	(2) = (1 - (1))	(3) = (2) / (2).100
Deductible		Factor	Implied Ded Factor*	Implied Relativity
\$	50	-0,120	1.120	1.009
	100	-0.110	1.110	1.000
	250	-0.065	1.065	0,959
	500	0.000	1.000	0.901
	1,000	0.120	0.880	0.793
	2,000	0.320	0,680	0.613
	3,000	0.450	0,550	0.495
	5,000	0.570	0.430	0,387

Table 98.B.1.b.(2)(b) Trucks, Tractors And Trailers And All Autos Except Zone-rated Risks Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

		441	(2) =	(3) = (2) / (2).100
Deductible		(1) Factor	(1 - (1)) Implied Ded Factor*	Implied Relativity
\$	50	-0.130	1,130	1.018
	100	-0,110	1.110	1.000
	200	-0.080	1.080	0,973
	250	-0,070	1.070	0,964
	500	0,000	1.000	0.901
	1,000	0.110	0.890	0.802
Ĭ	2,000	0.260	0.740	0.667
	3,000	0,390	0.610	0.550
	5,000	0,560	0.440	0,396

Table 98,B.1.b.(2)(a) Private Passenger Types Collision Deductible Factors

^{*}Assuming base Original Cost New level of 15,001 - 20,000 and calculating [Original Cost New Factor] - [Deductible factor from Rule 98]

<u>Derivation of Selected Loss Costs for Collision</u>

				(4) = [(2) + (3)]	(5) = [(1).100] x	(6) = [(4)n - (4)n-1] /		(8) = (7) /	(9) = [(8)n - (8)n-1] /
(D)	(1)	(2)*	(3)*	/2	(4)	[(D)n - (D)n-1]	(7)**	(7).100	[(D)n - (D)n-1]
, ,		ISO Rule	ISO Rule						
	ISO Rule	98	98		!	Indicated			Selected
1	90 Loss	Relativity -	Relativity -	Average	Indicated	Marginal	Selected	Selected	Marginal
Deductible	Cost	Trucks*	PPT*	Relativity	Loss Cost	Change	Loss Cost	Relativity	Change
100	0.510	1.000	1.000	1.000	0.510		0.510	1.000	2.8%
250	0.490	0.959	0.964	0.962	0.490	-0.0130%	0.490	0.961	-0.0261%
500	0.460	0.901	0.901	0.901	0.459	-0.0124%	0.460	0.902	-0.0235%
1,000	0,430	0.793	0.802	0.797	0.407	-0.0106%	0.430	0.843	-0.0118%
2,500	1. 0.00	0.554	0.608	0.581	0.296	-0.0074%	0.340	0.667	-0.0118%
5,000		0.387	0.396	0.392	0.200	-0.0039%	0.200	0.392	-0.0110%
10,000	5,000		75.00		3	34.75 A	0.145	0.284	-0.0022%

^{*}Used linear interpolation of calculated relativities for 2,000 and 3,000 deductible levels to derive 2,500 deductible level relativity

^{**}Selected ISO rule 90 loss cost for 100, 250, 500 and 1,000 deductible levels. For deductible levels 2,500 and higher, selected indicated loss cost and judgmentally adjusted for reversals in marginal change. Judgmentally selected 10,000 deductible level loss cost.

Philadelphia Indemnity Insurance Company Commercial Auto Physical Damage Premium and Policy Counts

DC Only

Fiscal AY	Policy Count	Written Premium
2015	128	318,647
2016	127	362,922
2017	133	341,983
2018	136	328,442
2019	145	313,156
Total	668	1,665,150

Countrywide

Fiscal AY	Policy Count	Written Premium
2015	28,378	87,316,600
2016	28,535	93,163,757
2017	29,132	99,856,226
2018	29,713	107,122,636
2019	31,400	114,414,691
Total	147,159	501.873.910

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE District of Columbia - All Products

Rate Level Indications

		Fis	scal Accident Ye	ear Ending 12/31	
		2016	2017	2018	Total
1	Earned Premium	337,796	343,897	327,414	1,009,108
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.000	1.000_	1.000	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	352,404	3 <u>55,217</u>	334,843	1,042,465
5	Reported Incurred Loss & ALAE	173,298	171,745	277,307	622,350
6	Salvage & Subrogation	(64,542)	(55,095)	(28,755)	(148,393)
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	237,840	226,840	306,062	770,742
8	Loss Development Factor	1.002	1.006	1.030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	238,360	228,264	315,254	781,879
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(53,945)	(51,661)	(71,348)	(176,954)
11	Expected Incurred Loss & ALAE = (9) + (10)	184,415	176,604	243,906	604,925
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	202,672	194,088	268,053	664,812
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	225,123	210,330	283,401	718,854
17	Ultimate Loss & LAE Ratio	63.9%	59.2%	84.6%	69.0%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio			L	72.9%
20	Expected Loss & LAE Ratio			L	67.5%
21	Rate Level Indication before Credibility = (19) / (20) - 1				7.9%
22	Claim Count (excluding Closed w/o Pay)	78	89	96	263
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	78	89	96	<u>263</u>
25	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				25.0%
	Complement of Credibility			<u> </u>	1.5%
27	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)			<u> </u>	3.1%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis.

Line (20): Please see the investment income calculations for support.

Line (26) =

100.0% x 1.5% Net Trend - All Products

En 6 (20) -	
Other Factors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

PHILADELPHIA INDEMNITY INSURANCE COMPANY COMMERCIAL AUTOMOBILE PHYSICAL DAMAGE

Countrywide - All Products

Rate Level Indications

		F	iscal Accident Y	ear Ending 12/3	1
		2016	2017	2018	Total
1	Earned Premium	88,072,097	94,197,506	101,405,020	283,674,623
2	Exposure Trend	1.043	1.033	1.023	
3	On-level Factor	1.094	1.070	1.038	
4	On-level and Trended Earned Premium =(1) x (2) x (3)	100,505,662	104,109,873	107,679,630	312,295,164
5	Reported Incurred Loss & ALAE	56,628,904	63,540,398	74,093,408	194,262,709
6	Salvage & Subrogation	(16,335,821)		(13,690,782)	
7	Incurred Loss & ALAE Excluding Sal & Sub = (5) - (6)	72,964,725	80,895,892	87,784,190	241,644,806
8	Loss Development Factor	1,002	1,006	1,030	
9	Ultimate Incurred Loss & ALAE Excluding Sal & Sub = (7) x (8)	73,124,154	81,403,896	90,420,702	244,948,752
10	Expected Salvage and Subrogaton = (9) x Sal & Sub Factor	(16,549,409)	(18,423,275)		
111	Expected Incurred Loss & ALAE = (9) + (10)	56,574,745	62,980,622	69,956,750	189,512,116
12	Unallocated Loss Adjustment Expense	1.099	1.099	1.099	
13	Expected Loss and LAE = (11) x (12)	62,175,645	69,215,703	76,882,468	208,273,816
14	Current Cost Trend	1.051	1.025	1.000	
15	Projected Trend	1.057	1.057	1.057	
16	Ultimate Trended Loss & LAE = (13) x (14) x (15)	69,063,430	75,008,177	81,284,442	225,356,049
17	Ultimate Loss & LAE Ratio	68.7%	72.0%	_	72.2%
18	AY Weights	20.0%	30.0%	50.0%	100.0%
19	Weight Loss & LAE Ratio				73.1%
	Expected Loss & LAE Ratio			j	67.2%
21	Rate Level Indication before Credibility = (19) / (20) - 1				8.8%
22	Claim Count (excluding Closed w/o Pay)	19,090	20,253	21,147	60,490
23	Claim Development Factors	1.000	1.000	1.000	
	Ultimate Claims = (23) x (22)	19,090	20,253	21,147	60,490
	Credibility = ((24) / Standard) ^.5 where Standard = 4,200				100.0%
26	Complement of Credibility				0.0%
	Credibility Weighted Indication) = (25) x (21)+ [1-(25)] x (26)				8.8%

Lines (8), (23): Please see attached support for development factors Lines (2), (14), (15), (26): Trend factors are based on an ISO analysis. Line (20): Please see the investment income calculations for support.

Line (26) = Other Factors

ier ractors	
Exposure Trend	1.0%
Annual Projected Loss Trend	2.5%
Average Accident Date for latest Year	6/30/2018
Effective Date	10/1/2019
One Year Past Effective Date	9/30/2020
Trend Period for Projection	2.25
Salvage and Subrogation Factor	(0.226)

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO District of Columbia

ı	Target After-Tax Return on Surplus	11.8%
	Federal Income Tax Load	15.7%
	Target Pre-Tax Return on Surplus (a / (1 - b))	14.0%
	Projected Investment Return on Surplus	3.7%
l	Target Return on Insurance Operations (c - d)	10.3%
	Line of Business Premium / Surplus	2.07
ı	Target Return on Premium (e / f)	2.0%
ı	Expense Provisions	28.4%
l	Premium Discount Factor	0.994
	Expense Discount Factor	0.992
	Loss Discount Factor	0.982
	Expected Loss Ratio ((i - g - h * j) / (k)	67.5%
٤	Profit Provision (1 - h - l)	4.1%
I		

100.0%	Total	(13)
67.5%	Permissible Loss Ratio	(12)
32.5%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.4%	Total Expenses	6)
2.0%	Taxes, Licenses, & Fees	(8)
%0.0	ULAE	9
%0.0	Reinsurance Expense	(9)
%0.0	Residual Market Load	<u>(S</u>)
4.9%	General Expenses	4
6.3%	Other Acquisition	<u>ල</u>
%0.0	Contingent Commissions	(2)
15.2%	Base Commission and Brokerage	(1)

	Increme	Incremental Payout Pattern	attern		Disc	Discounted Payout	out
				Discount			Loss &
Үеаг	Premium	Expenses	Loss & LAE	Factor	Premium	Expenses	LAE
0.00	38.4%	20.6%	%0'0	1.000	38.4%	20.6%	%0.0
0.08	7.8%	4.2%	%0.0	0.998	7.8%	4.2%	%0:0
0.17	7.8%	4.2%	%0:0	0.996	7.7%	4.1%	%0.0
0.25	7.5%	11.1%	%0:0	0.994	7.5%	11.0%	%0:0
0.33	6.8%	3.6%	%0.0	0.992	6.7%	3.6%	%0:0
0.42	6.8%	3.6%	%0:0	0.990	%2'9	3.6%	%0.0
0.50	6.2%	42.7%	%0:0	0.988	6.1%	42.2%	%0.0
0.58	6.2%	3.3%	83.7%	0.986	6.1%	3.3%	82.5%
0.67	6.2%	3.3%	%0:0	0.984	6.1%	3.3%	%0.0
0.75	6.2%	3.3%	%0:0	0.982	6.1%	3.2%	%0.0
0.83	0.2%	0.1%	%0.0	0.980	0.2%	0.1%	%0.0
0.92	0.2%	0.1%	%0.0	0.978	0.2%	0.1%	%0.0
1.00	%0:0	%0.0	%0.0	0.977	0.0%	0.0%	%0.0
1.50	%0:0	%0:0	15.3%	0.966	%0:0	%0:0	14.7%
2.50	%0.0	0.0%	0.7%	0.946	%0.0	%0:0	0.7%
3.50	%0.0	%0.0	0.3%	0.925	%0:0	0.0%	0.2%
4.50	%0.0	0.0%	%0.0	0.904	0.0%	0.0%	%0:0
5.50	%0.0	%0.0		0.882	0.0%	%0:0	%0.0
6.50	0.0%	0.0%		0.859	0.0%		%0.0
7.50	0.0%	0.0%		0.836	0.0%		0.0%
8.50	%0.0	%0:0	0.0%	0.814	%0.0		%0:0
9.50	0.0%	%0:0	%0.0	0.792	0.0%		%0.0
10.50	%0.0	%0:0	0.0%	0.770	0.0%	0.0%	%0:0
11.50	%0.0	%0:0		0.749	%0:0	0.0%	0.0%
12.50	%0.0	0.0%	%0.0	0.728	%0.0		%0.0
13.50	%0.0	0.0%	0.0%	0.708	%0.0	%0.0	%0.0
14.50	%0.0	0.0%	0.0%	0.687	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%		99.4%	99.2%	98.2%

Philadelphia Indemnity Insurance Company Investment Income Calculation CPP Commercial Auto Physical Damage - Occurrence - Form ISO Countrywide

æ	Target After-Tax Return on Surplus	11.8%
۵	Federal Income Tax Load	15.7%
ပ	Target Pre-Tax Return on Sumplus (a / (1 - b))	14.0%
ס	Projected Investment Return on Surplus	3.7%
o	Target Return on Insurance Operations (c - d)	10.3%
4	Line of Business Premium / Surplus	2.07
₀	Target Return on Premium (e / f)	2.0%
£	Expense Provisions	28.7%
-	Premium Discount Factor	0.994
 	Expense Discount Factor	0.992
×	Loss Discount Factor	0.982
_	Expected Loss Ratio ((i - g - h * j) / (k)	67.2%
E	Profit Provision (1 - h - l)	4.1%

100.0%	Total	(13)
67.2%	Permissible Loss Ratio	(12)
32.8%	Expenses and Profit Provision	(11)
4.1%	Profit Provision	(10)
28.7%	Total Expenses	(6)
2.3%	Taxes, Licenses, & Fees	(8)
0.0%	ULAE	9
%0:0	Reinsurance Expense	9
%0.0	Residual Market Load	<u>(2)</u>
4.9%	General Expenses	(
6.3%	Other Acquisition	ල
%0.0	Contingent Commissions	(7)
15.2%	Base Commission and Brokerage	Ξ

E o d	ium Expenses Loss 38.4% 20.3% 7.8% 4.1% 7.5% 12.2% 6.8% 3.6% 6.2% 42.2% 6.2% 3.3% 6.2% 3.3% 6.2% 3.3% 0.2% 0.1%	Loss & LAE 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	Discount Factor 1.000 0.998 0.996	Premium	Expenses	Loss &
98.4% 7.8% 7.8% 7.5% 6.8% 6.2% 6.2% 6.2% 6.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0	Expenses 20.3% 4.1% 4.1% 12.2% 3.6% 3.6% 3.3% 3.3% 0.1% 0.1% 0.1%	Loss & LAE 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%	Factor 1.000 0.998 0.996	Premium	Expenses	PΕ
	20.3% 4.1% 4.1% 3.6% 3.6% 3.3% 3.3% 3.3% 0.1%	%0.0 %0.0 %0.0 %0.0 %0.0 %0.0 %0.0 %0.0	1.000 0.998 0.996			
	%1.4 4 1.4 %1.2 %2.2 %2.2 %2.2 %2.2 %2.2 %2.2 %2.2	83.00 83.00 83.00 83.00 83.00	0.998	38.4%	20.3%	%0:0
	4.14 3.6% 3.6% 3.5% 8.2.8 8.3.3% 1.0 8.1.0 8.1.0 8.1.0	83.7.% 0.00 0.00 0.00 0.00 0.00	0.996	7.8%	4.1%	%0.0
	12.2% 3.6% 4.22% 3.3% 3.3% 0.1%	83.7% 0.00% 0.00% 0.00%		7.7%	4.1%	%0.0
	3.6% 4.22% 3.3% 3.3% 5.3.3% 0.1%	83.7% 0.00 0.00 0.00 0.00	0.994	7.5%	12.1%	0.0%
	8.5.5.8 8.5.8.8.8.8.8.8.8.8.8.8.8.8.8.8.	83.7% 0.0% 0.0% 0.0%	0.992	6.7%	3.6%	0.0%
	42.24 8.5.8 8.5.8 8.5.8 8.1.0 8.1.0	83.7% 0.0% 0.0%	0.990	6.7%	3.5%	%0:0
	8.5.8 8.5.8 8.5.0 8.7.0 8.7.0 8.7.0	83.7% 0.0% 0.0%	0.988	6.1%	41.6%	%0:0
	3.3% 0.1% %1.0	%0.0 0.0 0.0 0.0 0.0 0.0	0.986	6.1%	3.2%	82.5%
	3.3% 0.1%	%0.0 %0.0 %0.0 %0.0 %0.0 %0.0	0.984	6.1%	3.2%	%0.0
	%1.0 %1.0	%0.0	0.982	6.1%	3.2%	%0.0
	0.1%	790	0.980	0.2%	0.1%	%0:0
		0,0.0	0.978	0.2%	0 1%	%0:0
	0.0%	%0.0	0.977	%0.0	%0:0	%0:0
	%0.0	15.3%	0.966	%0:0	%0:0	14.7%
	0.0%	0.7%	0.946	%0:0	0.0%	0.7%
	%0.0	0.3%	0.925	%0:0	%0:0	0.2%
	%0.0	%0.0	0.904	%0.0	%0.0	%0.0
	0.0%	%0.0	0.882	%0.0	%0.0	0.0%
	0.0%	%0.0	0.859	%0:0	%0.0	0.0%
	0.0%	%0.0	0.836	%0.0	%0.0	0.0%
	0.0%	%0.0	0.814	%0:0		0.0%
	0.0%	%0.0	0.792	%0:0	%0:0	0.0%
	0.0%	%0.0	0.770	%0:0		0.0%
11.50 0.0%	0.0%	%0.0	0.749	%0:0	0.0%	%0.0
12.50 0.0%	0.0%	%0.0	0.728	%0:0	%0.0	%0.0
13.50 0.0%	0.0%	%0.0	0.708	%0.0	0.0%	0.0%
14.50 0.0%	0.0%	0.0%	0.687	0.0%	0.0%	0.0%
Total 100.0%	100.0%	100.0%		99.4%	99.2%	98.2%

PHILADELPHIA INDEMNITY INSURANCE COMPANY PROJECTED EXPENSES

Commissions 12,841 13,171 14,374 14,984 16,592 45,950 Commission Rate 15.1% 14.9% 15.0% 14.8% 15.2% 15.0% 15.2% 15.0% 15.2% 15.0% 15.2% 15.0% 15.2%		21.2 - CPP C	ommercial Auto F	hysical Damag	e		
Commissions (Line Specific) 84,862 88,179 95,803 101,325 109,470 306,588 Commissions 12,841 13,171 14,374 14,984 16,592 45,950 Selected 15,1% 14,9% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,0% 14,8% 15,2% 15,2% 15,0% 14,8% 15,2%							Total
Witten Premium	Commissions (Line Specific)	2014	2010	2010	20	40,0	
Commissions 12,841 13,171 14,374 14,984 16,592 45,980 Commissions Rate 15.1% 14.9% 15.0% 14.8% 15.2% 15.0% 15.2% 15.0% 16.2% 15.2%		84,862	88,179	95,803	101,325	109,470	306,598
Commission Rate		12,841		14,374	14,984	16,592	45,950
Cither Acquisitions (Line Specific)	Commission Rate	15.1%	14.9%		14.8%	15.2%	15.0%
Written Premium					<u></u>		15.2%
Written Premium							
Cither Acquisitions				·			
College							
Selected							
Caneral Expenses (Line Specific)		5.0%]	5.8%	6.4%	6.3%	6.1%	
Earned Premium 81,813 85,628 91,890 99,346 105,446 295,472	Selected		-				6.3%
Earned Premium 81,813 85,628 91,890 99,346 105,446 295,472	General Evnenses // ine Snec	lfic)					
Ceneral Expenses 4,097 4,230 4,818 4,770 5,020 14,608 General Expenses Rate 5.0% 4.9% 5.3% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% Selected 4.9% 5.3% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% 4.8% 4.9% 4.9% 4.8% 4.9% 4.9% 4.8% 4.9% 4.			85.628	91.680	98.346	105,446	295,472
General Expenses Rate							
Taxes, Licenses, and Fees (Line Specific)	General Expenses Rate						4.9%
Taxes, Licenses, and Fees (Line Specific)		0.070		0.070	11070		4.9%
Written Premium	Goldoled						
Written Premium							
Written Premium	Taxes, Licenses, and Fees (L	ine Specific)					
Taxes, Licenses, and Fees			88,179	95,803	101,325	109,470	306,598
Tax Rate		2,074		2,172	2,307	2,723	7,202
Selected					2.3%	2.5%	2.3%
Total Expenses as a % of Written Premium			- -	•			2.3%
Written Premium	00.00.00						
Written Premium	Total Expenses as a % of Wri	tten Premlum					
Total Expenses 23,273 24,264 27,543 28,432 31,003 86,978			88,179	95,803	101,325	109,470	306,598
ALAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 ALAE to Loss Alae		23,273		27,543	28,432	31,003	86,978
ALAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268		27.4%		28,7%	28.1%	28.3%	28,4%
Incurred Loss			.				
Incurred Loss							
Defense and Cost Containmen	ALAE to Loss						
ALAE Ratio 0.3% 0.5% 0.3% 1.3% 0.4% 0.7%	Incurred Loss	49,319	49,636	56,343	61,264		
Selected 2.1% Selected Se	Defense and Cost Containmer	160					1,242
DLAE to Loss 49,319 49,636 56,343 61,264 67,661 185,268	ALAE Ratio	0.3%	0.5%	0.3%	1.3%	0.4%	0.7%
Incurred Loss	Selected						2.1%
Incurred Loss							
Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 ULAE Ratio 18.0% 18.6% 19.0% 7.6% 8.8% 11.5% Selected 10.1% ULAE to Loss & ALAE Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 ULAE Ratio 17.9% 18.5% 19.0% 7.5% 8.8% 11.4% Selected 9.9% LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 9.9% LAE to Loss 160 242 172 796 274 1,242 1.242 1							105.000
ULAE Ratio 18.0% 18.6% 19.0% 7.6% 8.8% 11.5% Selected 10.1%				56,343			
Selected 10.1%							
ULAE to Loss & ALAE Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 ULAE Ratio 17.9% 18.5% 19.0% 7.5% 8.8% 11.4% Selected LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%		18.0%	18.6 <u>%</u>	19.0%	7.6%	8.8%	
Incurred Loss	Selected						10.1%
Incurred Loss							
Defense and Cost Containmer		40 040 1	10.000	FC 0/2 l	04.004	67.664	105 260
Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 ULAE Ratio 17.9% 18.5% 19.0% 7.5% 8.8% 11.4% Selected 9.9% LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%							
ULAE Ratio 17.9% 18.5% 19.0% 7.5% 8.8% 11.4% Selected LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%							
Selected LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%							
LAE to Loss Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%		17.9%	18.5%	19,0%	7.5%	0.0%	
Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%	Selected						3.3%
Incurred Loss 49,319 49,636 56,343 61,264 67,661 185,268 Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%	I AE to Loss						
Defense and Cost Containmer 160 242 172 796 274 1,242 Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%		<u>∡</u> 0 310 l	49 636	56 343	61.264	67.661	185.268
Adjusting and OtherExpense 8,879 9,231 10,711 4,668 5,964 21,343 LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%							1,242
LAE Ratio 18.3% 19.1% 19.3% 8.9% 9.2% 12.2%							
	J. U						12.2%
	Selected	10.0 70					12.2%

Philadelphia Indemnity Insurance Company Division One – Commercial Automobile Hired Car Physical Damage Deductibles Company Exception Page

The following company exception to Insurance Services Office applies to all commercial risks.

A. Rating Rules

ISO Rule 90 Hired Autos, Table 90.C.3.c. (LC) Hired Autos Physical Damage Loss Costs is amended to include the following additional Comprehensive and Collision deductibles and loss costs:

Coverage	Deductible	Loss Cost Per Each \$100 Annual Cost Of Hire
Comprehensive	\$ 500	0.231 <u>0.240</u>
	\$ 1,000	0.138 <u>0.208</u>
	\$ 2,500	0.036 <u>0.155</u>
	\$ 5,000	0.004 <u>0.115</u>
	\$10,000	0.001 <u>0.100</u>
Collision	\$ 2,500	0.340
	\$ 5,000	0.189 <u>0.200</u>
	\$10,000	0.070 <u>0.145</u>